

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF OHIO**

UNITED STATES OF AMERICA,)	CASE NO. 1:07CR646
)	
PLAINTIFF)	JUDGE PETER C. ECONOMUS
)	
V.)	
)	
MARTIN L. SHULMAN,)	
S.B.G. MANAGEMENT, INC.,)	
)	ORDER
DEFENDANTS.)	
)	

This matter is before the Court upon Magistrate Judge James S. Gallas' Report and Recommendation that the Court ACCEPT the guilty pleas of Defendants Martin L. Shulman and S.B.G. Management, Inc. ("Defendants") and enter a finding of guilty against Defendants. (Dkt. # 65, 66).

On December 12, 2007, the government filed an Indictment against Defendants. (Dkt. # 1). On March 13, 2009, this Court issued an order assigning this case to Magistrate Judge Gallas for the purpose of receiving Defendants' guilty pleas. (Dkt. # 54).

On April 7, 2009, a hearing was held in which Defendant Martin L. Shulman entered a plea of guilty to Count 1 of the Indictment, conspiracy to defraud the United States and to commit offenses against the United States, in violation of 18 U.S.C. § 371. Magistrate Judge Gallas received Defendant Martin L. Shulman's guilty plea and issued

a Report and Recommendation (“R&R”) recommending that this Court accept the plea and enter a finding of guilty. (Dkt. # 65).

Also on April 7, 2009, a hearing was held in which Martin L. Shulman entered a plea of guilty on behalf of Defendant S.B.G. Management, Inc., to Count 2 of the Indictment, HUD fraud equity skimming, in violation of 12 U.S.C. §§ 1715z-19 and 18 U.S.C. § 2. Magistrate Judge Gallas received Defendant S.B.G. Management, Inc.’s guilty plea and issued a Report and Recommendation (“R&R”) recommending that this Court accept the plea and enter a finding of guilty. (Dkt. # 66).

No party has objected to either of the Magistrate Judge’s R&Rs in the ten days after they were issued.

On *de novo* review of the record, the Magistrate Judge’s R&Rs are adopted. (Dkt. # 65, 66). Each Defendant was found to be competent to enter a plea. Each Defendant understood his/its constitutional rights. Defendants were aware of the consequences of entering a plea. There is an adequate factual basis for each plea. The Court finds that each plea was entered knowingly, intelligently, and voluntarily. The Defendants’ pleas of guilty are approved.

Therefore, the Defendant Martin L. Shulman is adjudged guilty of Count 1 of the Indictment, conspiracy to defraud the United States and to commit offenses against the United States, in violation of 18 U.S.C. § 371.

Defendant S.B.G. Management, Inc., is adjudged guilty of Count 2 of the Indictment, HUD fraud equity skimming, in violation of 12 U.S.C. §§ 1715z-19 and 18

U.S.C. § 2.

The sentencing for both Defendants will be held on July 8, 2009, at 10:00a.m.

IT IS SO ORDERED.

/s/ Peter C. Economus - April 22, 2009

PETER C. ECONOMUS

UNITED STATES DISTRICT JUDGE